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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/930,216	08/16/2001	Norio Takahashi	ASA-1024	9445

7590

04/06/2005

MATTINGLY, STANGER & MALUR P.C.
SUITE 370
1800 DIAGONAL ROAD
ALEXANDRIA, VA 22314

EXAMINER

DURAN, ARTHUR D

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 04/06/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/930,216

Applicant(s)

TAKAHASHI ET AL.

Examiner

Arthur Duran

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 26 January 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☒ All b) ☐ Some * c) ☐ None of:
1. ☒ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Claims 1-13 have been examined.

Response to Amendment

2. The Amendment filed on 1/26/05 is insufficient to overcome the Walker and Kansal reference.

Priority

3. Acknowledgment is made of applicant's claim for foreign priority under 35 U.S.C. 119(a)-(d). The certified copy has been filed in parent Application No. 09/930,216, filed on 8/16/01.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker (5,794,207) in view of Kansal (6,647,374).

Claim 1, 2, 3, 10, 11, 12, 13: Walker discloses an electronic commerce method, apparatus, program comprising the steps of:
in case of inputting a held enterprise ID and article detail information from a selling terminal as article information (Fig. 1; Fig. 2; col 1, lines 14-50; col 9, lines 15-25; col 9, lines 45-50),

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sending said article information to a purchase terminal (Fig. 1; Fig. 5; col 1, lines 14-50; col 9, lines 45-50),

inputting said article information and transaction information from the purchase terminal as article transaction information and storing said article transaction information (Fig. 5; col 9, lines 48-51).

Walker discloses a central controller managing transactions (Fig. 1; Fig. 2;) and a bonding agency or third party providing reliability or insurance for transactions (Fig. 20; col 7, lines 13-26) and that the arbitration, mediation, bonding, arbitration functions can be centralized or divided (col 10, lines 8-16; col 10, lines 22-30); the utilization of an escrow account to better guarantee delivery of services (col 9, lines 30-44); and a third party guaranteeing payment (col 8, lines 34-39).

Walker further discloses a varying fee to support the activities of the central controller that can be calculated based upon the goods being sold or the situation presented (col 20, lines 15-30); a third party verifying the seller abilities to provide the goods or services as specified or the buyers abilities to pay as specified (col 27, lines 30-37). Walker further disclose assessing the seller and the seller's ability to provide for the stated goods or services (col 7, lines 65-col 8, line 2).

Walker further discloses a third party guaranteeing the seller and buyers ability to meet the terms of the transaction (col 28, lines 12-18; col 29, lines 10-18); that specific aspects of a transaction are investigated to determine the likelihood of the parties meeting the terms of a transaction (col 13, lines 16-23; col 19, lines 29-45).

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Walker further discloses a penalty or damages when either party fails to meet their aspect of an agreement (col 30, lines 40-col 31, line 10).

Walker further discloses a database with seller information, buyer information, offer information, payment history information, transaction information (Fig. 2).

Walker assessing the financial history of a buyer or seller (col 32, lines 20-24) and assessing the credit history, system usage, history of transactions for buyers and sellers (col 13, lines 1-30).

Walker further discloses a calculated intermediation fee (col 20, lines 15-30).

Note that the varying fee (col 20, lines 15-30) goes to support all activities of the system which includes activities of the central controller which includes both intermediation and indemnity support.

Walker does not explicitly disclose a number or points associated with a transaction that determines the significance of a transaction in terms of buyer or seller reliability history.

Walker does not explicitly disclose varying the fee for a transaction based upon the risk involved in guaranteeing a transaction.

However, Kansal discloses a number or points associated with a transaction that determines the significance of a transaction in terms of buyer or seller reliability history (col 9, lines 14-45; col 6, Table 1; col 11, lines 25-35).

Kansal further discloses varying the fee for a transaction based upon the risk involved in guaranteeing a transaction (col 2, lines 23-40; col 1, lines 19-26; col 7, Table 1, Risk Adjusted Bid).

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Kansal further discloses a specifically calculated indemnity fee (col 14, lines 46-47; col 1, lines 17-25).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to add Kansal's risk assessment for fee determination to Walker's variable fees for intermediation and guaranteeing transactions. One would have been motivated to do this in order to provide Walker a more efficient, accurate way to assess the cost of guaranteeing a transaction.

Furthermore, since Walker discloses seller driven, exchange driven, and buyer driven systems in the Background of the Invention (col 1, lines 14-65), it would be obvious to one skilled in the art that the features of Walker's invention can be applied to a seller driven, exchange driven, or buyer driven systems. One would be motivated to do this in order to utilize the beneficial features of Walker's disclosure that can be applied to a seller driven, exchange driven, or buyer driven system.

Additionally, note that the online Merriam Webster defines 'intermediation' as:
"the act of coming between : INTERVENTION, MEDIATION",
and 'indemnity' as:
"**a** : security against hurt, loss, or damage **b** : exemption from incurred penalties or liabilities".

Additionally, Walker discloses a seller interface and a buyer interface (Fig. 1, item 300, item 400) and that these interfaces are connected to a central controller (item 200) and that the central controller stores both offers, counteroffers, and agreements from both buyers and sellers (Fig. 2, item 250). Walker further discloses that the interface can be a terminal (Fig. 3; Fig. 4);

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and that the seller and buyer sends enterprise identifying information (Fig. 9, item 900; Fig 5, item 500) and item information (Fig. 10, item 1000; Fig. 5, item 515)

Walker further discloses that the buyer and/or seller risk assessment is made (Fig. 6, item 620; Fig 10, item 1020; Fig. 13, item 1340) and that risk assessment for transactions is needed (Fig. 12, item 1230) and that measures are made to better assure transaction validity (Fig 20, item 170).

Walker further discloses utilizing world-wide-web interfaces:

“(66) Under the present invention, the CPO may be transmitted via numerous means including a world-wide-web interface, electronic mail, voice mail, facsimile, or postal mail. Standard legal provisions and language are then integrated with the CPO to "fill in the gaps" of the buyer's purchase offer. Alternatively, the CPO may be developed while the buyer is on-line with the central controller” (col 8, lines 57-65).

The online Merriam-Webster dictionary at www.m-w.com defines “**terminal**” as:

“3 : a device attached to the end of a wire or cable or to an electrical apparatus for convenience in making connections. . . 5 : a combination of a keyboard and output device (as a video display unit) by which data can be entered into or output from a computer or electronic communications system”.

Note that the interfaces and world wide web interfaces of Walker meet the definition of a terminal.

Walker discloses utilizing varying fee methods for utilizing the system including a fee charge per each item offered for purchase or sale:

“(52) There are many methods by which the providers of the system could derive

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a revenue stream. In one embodiment, a flat fee is charged for every CPO 100 submitted.

There could also be flat fees that would cover any number of CPOs 100 over a given period of time, allowing buyers to subscribe to the service much as they would subscribe to a newspaper.

In another embodiment, central controller 200 calculates a discounted value of the price in which sellers receive only a percentage of the price of CPO 100. In another embodiment, advertisers pay to have messages listed along with CPOs 100, supplementing the costs of operating the system. Alternatively, the method and apparatus of the present invention may be employed without a payment feature” (col 20, lines 15-30).

Walker discloses guaranteeing both the buyer and the seller’s ability to complete a transaction:

“(64) The present invention is therefore a highly effective bilateral buyer-driven commerce system which improves the ability of buyers to reach sellers capable of satisfying the buyers' purchasing needs and improves sellers' ability to identify interested buyers (col 8, lines 35-41);

(105) The trusted server 165, in turn, will not issue a TRUSTED.sub.--ACCEPTANCE unless it is convinced that the buyer's CPO 100 is fresh (not a replay), and that the buyer's ability to pay is guaranteed by bonding agency 170. The buyer must also be convinced that he is being issued a fresh TRUSTED.sub.—ACCEPTANCE (col 28, lines 10-17);

(146) The purpose of this protocol is to prove that the seller is guaranteed by bonding agency 170 to be capable of delivering the required goods, and also to decrease the computational load on operations server 160 by establishing a secret authentication key,

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K.sub.p. All of this decreases the computational expense of allowing the potential seller to browse CPOs 100” (col 29, lines 10-17).

Walker also discloses penalties for failing to meet contract agreements:

“(191) Additionally, liquidated damages may be set which specify damage amounts for particular infractions of CPO 100” (col 30, lines 45-52).

Also, Kansal discloses risk assessment of a party involved in a transaction (Fig. 1, item 20) and adjusting the pricing for a fee to a transaction based on the risk involved (Fig. 1, ‘Algorithm to price the premium for insurance/safety coverage’; Fig. 3; Fig. 5, item 62-72).

As noted above, Walker discloses assessing and taking measures for the risk involved in mediating a transaction between a buyer and a seller. Walker discloses assessing the buyer and seller ability to complete a transaction. Walker discloses charging varying fees for utilizing the system. Kansal discloses assessing the reliability of a party involved in a transaction and varying the fee charged for mediating a transaction based upon the assessed reliability of the party involved.

Kansal further discloses that the method can be utilized for bids (as referenced above) and also that the risk assessment and fee charging method can be utilized in numerous ways for many different types of transactions:

“(52) Although the invention has been described in terms of the preferred embodiments disclosed herein, those skilled in the art will appreciate many modifications which may be made without departing from the true spirit and scope of the invention. For example, although the present invention discusses a situation for providing a technology contract, the present invention also is applicable to any contract capable of being partitioned. Additionally, once all of the

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relevant calculations are made with respect to the intrinsic and extrinsic two-way ratings as well as other distribution and normalization data, the adjusted bid as well as the premium are calculated using specially designed software for this purpose. All such modifications are intended to be included within the scope of the claims appended hereto” (col 16, lines 19-34).

Claim 4, 5, 6: Walker and Kansal disclose the method according to claim 1, 2, 3. Walker further discloses:

inputting an article information display request from said purchase terminal; and
sending, to said purchase terminal, said article information and allocation point information in correspondence with said article information (col 9, lines 44-51),
wherein said purchase terminal displays said article information and said allocation point information in correspondence with each other (col 13, lines 16-23; col 19, lines 29-45; col 28, lines 12-18; col 29, lines 10-18; Fig. 1; Fig. 2; Fig. 20).

Claim 7, 8, 9: Walker and Kansal disclose the method according to claim 1, 2, 3. Walker further discloses:

inputting a held enterprise ID and a point allocation operation request from the selling terminal;
and
sending, to said selling terminal, point information in correspondence with said enterprise ID, article information in correspondence with said enterprise ID, and allocation point information, wherein said selling terminal displays, on a screen, said point information and said allocation point information in correspondence with said article information,

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and said method further comprises the step of inputting, from said selling terminal, said article information and allocation point information input to the terminal (col 13, lines 16-23; col 19, lines 29-45; col 28, lines 12-18; col 29, lines 10-18; Fig. 1; Fig. 2; Fig. 20).

Response to Arguments

5. Applicant's arguments with respect to claims 1-13 have been considered but are not considered persuasive.

Examiner further notes that it is the Applicant's claims as stated in the Applicant's claims that are being rejected with the prior art.

Examiner notes that while specific references were made to the prior art, it is actually also the prior art in its entirety and the combination of the prior art in its entirety that is being referred to. In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Applicant's amendment dated 1/26/05 on page 13 states, "Walker's scheme, however, does not provide for inputting article detail information for an article for sale by an enterprise from a selling terminal as article information, or inputting the article information and transaction information indicating transaction of the article from the purchase terminal as article transaction information. . . does not disclose the article transaction information, calculate a point number with reference to the enterprise ID and transaction information from the article transaction information, and store the enterprise ID and point number in correspondence with each other as

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point information. . . article information and allocation point information are not input from the selling terminal . . . and the article information and allocation point information are not stored in correspondence with each other, to form the basis for calculating an intermediation fee. . . does not disclose calculation of a . . . fee for the article transaction with reference to the allocation point information.”

However, Walker discloses a seller interface and a buyer interface (Fig. 1, item 300, item 400) and that these interfaces are connected to a central controller (item 200) and that the central controller stores both offers, counteroffers, and agreements from both buyers and sellers (Fig. 2, item 250). Walker further discloses that the interface can be a terminal (Fig. 3; Fig. 4); and that the seller and buyer sends enterprise identifying information (Fig. 9, item 900; Fig 5, item 500) and item information (Fig. 10, item 1000; Fig. 5, item 515)

Walker further discloses that the buyer and/or seller risk assessment is made (Fig. 6, item 620; Fig 10, item 1020; Fig. 13, item 1340) and that risk assessment for transactions is needed (Fig. 12, item 1230) and that measures are made to better assure transaction validity (Fig 20, item 170).

Walker further discloses utilizing world-wide-web interfaces:

“(66) Under the present invention, the CPO may be transmitted via numerous means including a world-wide-web interface, electronic mail, voice mail, facsimile, or postal mail. Standard legal provisions and language are then integrated with the CPO to "fill in the gaps" of the buyer's purchase offer. Alternatively, the CPO may be developed while the buyer is on-line with the central controller” (col 8, lines 57-65).

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Note that the interfaces and world wide web interfaces of Walker meet the definition of a terminal.

Walker discloses utilizing varying fee methods for utilizing the system including a fee charge per each item offered for purchase or sale:

“(52) There are many methods by which the providers of the system could derive a revenue stream. In one embodiment, a flat fee is charged for every CPO 100 submitted. There could also be flat fees that would cover any number of CPOs 100 over a given period of time, allowing buyers to subscribe to the service much as they would subscribe to a newspaper. In another embodiment, central controller 200 calculates a discounted value of the price in which sellers receive only a percentage of the price of CPO 100. In another embodiment, advertisers pay to have messages listed along with CPOs 100, supplementing the costs of operating the system. Alternatively, the method and apparatus of the present invention may be employed without a payment feature” (col 20, lines 15-30).

Walker discloses guaranteeing both the buyer and the seller’s ability to complete a transaction:

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(146) The purpose of this protocol is to prove that the seller is guaranteed by bonding agency 170 to be capable of delivering the required goods, and also to decrease the computational load on operations server 160 by establishing a secret authentication key, K.sub.p. All of this decreases the computational expense of allowing the potential seller to browse CPOs 100" (col 29, lines 10-17).

Walker also discloses penalties for failing to meet contract agreements:

"(191) Additionally, liquidated damages may be set which specify damage amounts for particular infractions of CPO 100" (col 30, lines 45-52).

On page 14, Applicant states, "Kansal does not disclose to calculate a point number with reference to an enterprise ID provided by a selling terminal, or with reference to transaction information. . . does not disclose to calculate a . . . fee for the transaction".

However, Kansal discloses risk assessment of a party involved in a transaction (Fig. 1, item 20) and adjusting the pricing for a fee to a transaction based on the risk involved (Fig. 1, 'Algorithm to price the premium for insurance/safety coverage'; Fig. 3; Fig. 5, item 62-72).

On page 15, Applicant states that there is “no motivation in either Walker or Kansal to provide a point system for rating a vendor so as to include a risk assessment as part of . . . the transaction”.

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, Walker discloses assessing and taking measures for the risk involved in mediating a transaction between a buyer and a seller. Walker discloses assessing the buyer and seller ability to complete a transaction. Walker discloses charging varying fees for utilizing the system. Kansal discloses assessing the reliability of a party involved in a transaction and varying the fee charged for mediating a transaction based upon the assessed reliability of the party involved.

Kansal further discloses that the method can be utilized for bids (as referenced above) and also that the risk assessment and fee charging method can be utilized in numerous ways for many different types of transactions:

“(52) Although the invention has been described in terms of the preferred embodiments disclosed herein, those skilled in the art will appreciate many modifications which may be made without departing from the true spirit and scope of the invention. For example, although the present invention discusses a situation for providing a technology contract, the present invention also is applicable to any contract capable of being partitioned. Additionally, once all of the

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relevant calculations are made with respect to the intrinsic and extrinsic two-way ratings as well as other distribution and normalization data, the adjusted bid as well as the premium are calculated using specially designed software for this purpose. All such modifications are intended to be included within the scope of the claims appended hereto” (col 16, lines 19-34).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to add Kansal’s risk assessment for fee determination to Walker’s variable fees for intermediation and guaranteeing transactions. One would have been motivated to do this in order to provide Walker a more efficient, accurate way to assess the cost of guaranteeing a transaction.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the mailing date of this final action.

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Arthur Duran whose telephone number is (571) 272-6718. The examiner can normally be reached on Mon- Fri, 8:00-4:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Arthur Duran
Patent Examiner
1/28/05

JEFFREY D. CARLSON
PRIMARY EXAMINER

